



# County of Los Angeles CHIEF ADMINISTRATIVE OFFICE

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DAVID E. JANSSEN  
Chief Administrative Officer

March 20, 2007

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

## **AUTHORIZATION TO RENEW CONTRACT FOR THE RISK MANAGEMENT AND CLAIMS ADMINISTRATION INFORMATION SYSTEM (ALL DISTRICTS – 3 VOTES)**

### **JOINT RECOMMENDATION WITH COUNTY COUNSEL THAT YOUR BOARD:**

1. Authorize the Chief Administrative Officer (CAO) and County Counsel, as joint Program Directors, to renew Contract No. 73275, with Risk Technologies, Inc. (RTI) (Agreement), for maintenance and repair services, for an additional one-year period, effective April 14, 2007, through and including April 13, 2008.
2. Instruct the Auditor-Controller to continue to pay program costs as invoiced and validated by the CAO.
3. Accept the attached annual summary report documenting the outcomes and effectiveness of the Risk Management and Claims Administration Information System (RMIS).

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

In 2001, your Board approved the CAO's recommendation to contract with RTI to procure and maintain RMIS. Your Board also authorized the CAO to execute up to six annual contract options, which, if executed in their entirety, would extend RTI's services through December 6, 2010.

On December 14, 2004, your Board instructed the CAO and County Counsel to return, within 60 days, with a report providing additional detailed information concerning RMIS and intended enhancements, and how your Board would be notified of the same. In response, CAO and County Counsel provided written reports on February 15, 2005 and February 28, 2005, which described measures being taken to protect RMIS data

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Fifth District

confidentiality, integrity, and accuracy, and to ensure consistent data retrieval and timely departmental access to risk information. Collectively, these reports also summarized and identified the respective priority and cost of intended RMIS enhancements, and advised that quarterly reports would be provided to update your Board on progress made on RMIS issues.

On March 1, 2005, your Board approved Amendment No. 2, to renew the Agreement term by one year, and approved the delegated authority of the CAO and County Counsel to expend funds necessary to ensure continued RMIS services. Your Board also instructed the CAO and County Counsel to continue measuring RMIS outcomes and effectiveness, and obtain Board approval before exercising annual renewal options. CAO and County Counsel subsequently submitted quarterly reports documenting RMIS performance in accordance with the County's expectations and requirements.

On April 4, 2006, your Board again approved our request to renew the Agreement term for an additional year, based on confirmation that RMIS and RTI's performance had met the County's data quality, data availability, and data accessibility expectations. At that time, we also advised that future requests to your Board to exercise annual contract options would be justified by providing an annual report on RMIS outcomes and effectiveness.

The CAO and County Counsel, as joint Program Directors, now request Board approval to exercise the County's annual contract option for an additional year. RMIS and RTI's performance continue to meet the County's data quality, data availability, and data accessibility expectations, as documented in the attached annual report (Attachment).

### **Implementation of Strategic Plan Goals**

The RMIS Agreement supports the County's Strategic Plan Goal Three, Organizational Effectiveness, and Goal Four, Fiscal Responsibility, by providing a centralized claims database that CAO, County Counsel, client County departments, and third party administrators utilize to improve the effectiveness of Countywide risk management activities.

### **FISCAL IMPACT/FINANCING**

Funding for system upgrade projects and maintenance and support have been included in Fiscal Year 2006-07, and proposed Fiscal Year 2007-08 Insurance Budgets.

**FACTS AND PROVISION/LEGAL REQUIREMENTS**

The contractor is compliant with all County standard contract terms and conditions.

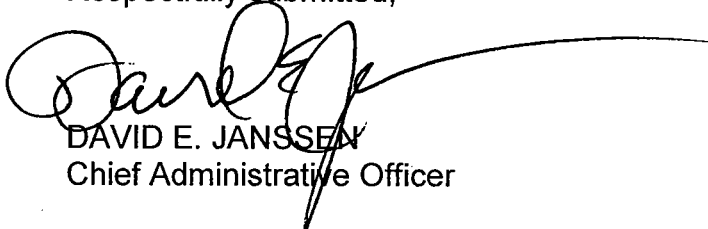
**IMPACT ON CURRENT SERVICES**

Approval of this renewal of the Agreement term will ensure RTI's uninterrupted continuation of these critical services.

**CONCLUSION**

Upon approval by your Board, please return two adopted-stamped copies of the letter to the CAO Risk Management Branch, attention Rocky A. Armfield, County Risk Manager.

Respectfully submitted,



DAVID E. JANSSEN  
Chief Administrative Officer



for RAYMOND G. FORTNER, JR.  
County Counsel

DEJ:RAA  
DAU:TO:sg

Attachment

c: Executive Officer, Board of Supervisors  
County Counsel  
Auditor-Controller  
Chief Information Officer

**RISK MANAGEMENT INFORMATION SYSTEM  
ANNUAL REPORT SUMMARY  
April 2006 through April 2007**

As requested by your Board on March 1, 2005, listed below are summary descriptions and status of each work order issued for system modifications and enhancements to the Risk Management Information System (RMIS) during the renewal term of April 14, 2006 through April 13, 2007. The work orders were created to accomplish the Upgrade Projects of the Priority 1 Enhancements, as provided to your Board on February 28, 2005. Upgraded projects meet the performance expectations established in the *Methodology to Measure the Outcomes and Effectiveness of RMIS*, as outlined in the December 30, 2005 Board memorandum.

**COMPLETED WORK ORDERS**

- **County Counsel Enhancement Modifications**

Details of the work order that accomplished parts of Upgrade Projects 3 and 4 are:

- Archived and purged designated files of former County Counsel Divisions;
- Identified the file type in the entry screens or reports as litigated or non-litigated, when invoices are processed;
- Tracked the minority business enterprise status of outside law firms;
- Distinguished a vendor's status, such as tendered, contracted, or de-barred;
- Replaced County Counsel's outside software system to capture and report invoice data;
- Created a security role for County staff to view and update time billing across County Counsel Divisions; and
- Added a Pending Resolution Date field to the Legal tab as requested by the Litigation Cost Manager.

- **County Counsel Time Billing Enhancements and Confidentiality Notice**

Details of the work order that accomplished parts of Upgrade Projects 3, 4, and 7 are:

- Automated administrative tasks in the Time Billing module, such as nightly closing, posting, and amending of timesheets;
- Restricted access and installed business rules for closed timesheets and files without funding sources;
- Created exception reports for amendments and reformatted existing reports;
- Improved functionality of the Time Billing module to decrease redundant data entry;
- Installed "Hot Keys" to improve system navigation;

- Implemented a system-generated e-mail which sends reminders and notifications to key personnel;
  - Created a bulletin space to broadcast announcements to Users;
  - Applied a matrix to systematically determine if a file or User is "Billable," "Non-Billable," or "Both";
  - Further detailed Activity Code descriptions of a timesheet with an option to enter a Sub-Category Code; and
  - Created a pop-up that requires the User to agree to the terms of the Confidentiality Notice before allowing access to RMIS.
- **Case Settlement and Case Priority Enhancements**

Details of the work order that accomplished parts of Upgrade Projects 3 and 4 are:

- Installed additional fields to more efficiently review data;
- Created a function that allows County Counsel to categorize the priority of a file;
- Reconfigured the Legal tab to allow faster loading, data entry, and review; and
- Allowed all new fields to be reportable from standardized and ad hoc searches.

#### ACTIVE WORK ORDERS

- **RMIS-ECAPS Interface**

Details of the work order accomplishing parts of Upgrade Projects 1, 3, 4, and 8 are:

- Create an interface with eCAPS in RMIS to automate all manual payment processes and workflows;
- Synchronize the RMIS vendor table nightly with eCAPS to ensure all vendors are approved by the Auditor-Controller before issuing payment;
- Send and receive transactional data nightly to and from eCAPS;
- Receive exceptions from eCAPS and disseminate to the appropriate User group for re-processing;
- Record transactional data onto the corresponding RMIS file;
- Create personalized holding queues for identified Users of payment transactions that require approval; and
- Provide fiscal reports as necessary.

#### WORK ORDERS IN PROGRESS

- **RMIS Contract Deliverables**

Details of the work order that will accomplish parts of Upgrade Project 4 shall include:

- Improvements to general functionalities to support more efficient data entry, tracking and management of files in the RMIS;
  - Creation of a diary management system to improve the ability to track, record, and manage diary entries; and
  - Enhancement of the checklist system that will contain all components for reviewing and scoring a quality review process.
- **Online Reporting and Business Intelligence Tool**
  - Creation of an online business intelligence system, using the Cognos tool, which will allow for more sophisticated reporting capabilities.